

### **REMARKS**

Amendment E is hereby provided after careful consideration of the Examiner's comments set forth in the Office Action mailed December 16, 2009 and the Advisory Action mailed March 16, 2010. Claims 1-21, 23-52, and 55-60 remain in the application after Amendment E is entered. Reconsideration of the application is respectfully requested in view of the amendments and remarks provided herein.

### **The Office Action**

Claims 1-21, 23-52, 55, 57, and 58 stand rejected under 35 U.S.C. § 102(e) for allegedly being anticipated by U.S. Pat. App. Pub. No. 2003/0105677 to Skinner.

Claims 56 and 59 stand rejected under 35 U.S.C. § 103(a) for allegedly being obvious over Skinner in view of U.S. Pat. App. Pub. No. 2003/0055816 to Paine et al.

Claim 60 stands rejected under 35 U.S.C. § 103(a) for allegedly being obvious over Skinner in view of Paine and in further view of U.S. Pat. App. Pub. No. 2004/0093296 to Phelan et al.

### **The § 102 Art Rejections**

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. See *Verdegaal Bros v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). In order for the reference to anticipate a claim, it must teach every element of the claim. See MPEP § 2131.

### **Claims 1-21, 23-30, 55, and 58 Patentably Distinguish Over Skinner.**

As amended, independent claim 1 is directed to a method that includes "a) selecting at least one candidate advertisement associated with the advertiser for subsequent placement in search results lists ...; c) expanding the initial plurality of candidate keywords selected in b) based ... on the ... candidate advertisement selected in a) to form an expanded plurality of candidate keywords ...; g) calculating an optimized bid for each advertisement-keyword pair ...; and h) automatically submitting the optimized bids for each advertisement-keyword pair calculated in g) to the

competitive bidding process for placement of each candidate advertisement selected in a) in search results lists generated in response to search queries comprising at least one keyword of the expanded plurality of candidate keywords resulting from c).” The Office Action relies on Skinner for disclosure of elements a), c) and h) of claim 1. The Office Action does not cite any portion of Skinner or any other reference for disclosure of element g) of claim 1. The Advisory Action states that the cited portions of Skinner are also relied upon for disclosure of element g). The § 102 rejection of claim 1 in reliance on Skinner is clear error on any one of at least four grounds because Skinner does not disclose or fairly suggest the features claimed in elements a), c), g), and h).

As for element a), the Office Action relies on paragraphs 14, 18, and 37-43; FIG. 2, items 42 and 44; and FIG. 3, item 50 of Skinner for disclosure of “selecting at least one candidate advertisement ... for subsequent placement in search results lists.” However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results lists may be placed by advertisers. For successful bids, the Skinner process results in placement of the winning advertiser’s listing in search results lists. The winning advertiser’s listing in Skinner is merely a link to an advertiser’s web site. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element a) of claim 1.

As for element c), the Office Action relies on paragraphs 37-39 of Skinner for disclosure of “expanding the initial plurality of candidate keywords selected in b) based ... on the ... candidate advertisement selected in a).” However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser’s service or product is maintained using certain criteria relating to the search term’s effectiveness (e.g., impressions, clicks, click-throughs, and sales). Notably, Skinner does not use any advertisement selected for placement in search results lists as criteria for maintaining the database. Moreover, Skinner does not disclose that maintenance of the database includes expanding the search terms in the database. Clearly, the Skinner process does not consider an actual advertisement to be placed in the search results list in order to expand candidate keywords used in the bidding process.

Accordingly, the cited portions of Skinner do not disclose or fairly suggest element c) of claim 1.

As for element g), the Applicant notes that 37 CFR § 104(c)(2) requires that, in rejecting claims for want of novelty, an Office Action must cite the best references and, when a reference is complex or shows or describes inventions other than that claimed by the Applicant, the particular part relied on must be designated as nearly as practicable. Moreover, 37 CFR § 104(c)(2) requires that "the pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified." Here, the Office Action does not cite a reference for disclosure of element g) and the Advisory Action merely states that the cited portions of Skinner are relied upon for disclosure of element g) without any further specificity. Based at least on the foregoing, it is submitted that the rejection of claim 1 is incomplete and a prima facie case for anticipation has not been made because the Office Action is not compliant with 37 CFR § 104(c)(2) in relation to element g). Accordingly, the Applicant respectfully requests withdrawal of the § 102 rejection of claim 1.

Additionally, for element g), as stated in the Advisory Action, the rejection relies on the cited portions of Skinner for disclosure of "calculating an optimized bid for each advertisement-keyword pair." For claim 1, the cited portions of Skinner amount to paragraphs 14-20 and 37-60; FIG. 2, items 42 and 44; and FIG. 3, item 50. However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as a variable in calculating a bid during the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element g) of claim 1.

As for element h), the Office Action relies on paragraphs 14-20 of Skinner for disclosure of "submitting the optimized bids for each advertisement-keyword pair calculated in g) to the competitive bidding process for placement of each candidate advertisement selected in a) in search results lists generated in response to search queries comprising at least one keyword of the expanded plurality of candidate keywords resulting from c)." However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers.

For successful bids, the Skinner process results in placement of the winning advertiser's listing in search results lists. The winning advertiser's listing in Skinner is merely a link to an advertiser's web site. Notably, the Skinner process does not consider the actual advertisement to be placed in the search results list as part of the bidding process. Thus, the bids submitted in Skinner are not for an advertisement-keyword pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element h) of claim 1.

Based at least on the foregoing, it is submitted that claim 1 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that independent claim 1 and claims dependent thereon (e.g., claims 2-21, 23-30, 55, and 58) are currently in condition for allowance.

Additionally, claim 5 is directed to a method in which "at least one of the initial plurality of candidate keywords and the expanded plurality of candidate keywords is automatically generated based at least in part from content in an advertiser web site." The Office Action relies on paragraphs 37-43 and FIG. 3, item 50 of Skinner for disclosure of the limitations of claim 5. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales). Notably, Skinner does not use the content of an advertiser web site as criteria for maintaining the database. Moreover, Skinner does not disclose that maintenance of the database includes automatically generating search terms for the database based on the content of an advertiser web site. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 5. Based at least on these additional reasons, it is submitted that claim 5 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 5 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 6 is directed to a method in which "at least one of the initial plurality of candidate keywords and the expanded plurality of candidate keywords is automatically generated based at least in part from content of the at least one candidate advertisement." The Office Action relies on paragraphs 37-43 and FIG. 3, item 50 of

Skinner for disclosure of the limitations of claim 6. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales). Notably, Skinner does not use the content of a candidate advertisement for subsequent placement in search results lists as criteria for maintaining the database. Moreover, Skinner does not disclose that maintenance of the database includes automatically generating search terms for the database based on the content of a candidate advertisement for subsequent placement in search results lists. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 6. Based at least on these additional reasons, it is submitted that claim 6 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 6 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 8 is directed to a method in which "the click-through rate for each advertisement-keyword pair is estimated by placing the corresponding candidate advertisement in a search results list on a trial basis." The Office Action relies on paragraphs 38 and 39 for disclosure of the limitations of claim 8. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales) at a given period of time (e.g., differing times of day, month, and year). Notably, Skinner does not estimate the click-through rate for a candidate advertisement or a candidate keyword, much less an advertisement-keyword pair. Moreover, Skinner does not place a candidate advertisement in a search results list on a trial basis. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 8. Based at least on these additional reasons, it is submitted that claim 8 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 8 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 9 is directed to a method in which "the click-through rate for each advertisement-keyword pair is estimated based at least in part on the relevance of content in the corresponding candidate advertisement to the one or more candidate

keywords for the corresponding advertisement-keyword pair." The Office Action relies on paragraphs 37-43 of Skinner for disclosure of the limitations of claim 9. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales) at a given period of time (e.g., differing times of day, month, and year). Notably, Skinner does not estimate the click-through rate for a candidate advertisement or a candidate keyword, much less estimating a click-through rate based on the relevance of a candidate advertisement to a candidate keyword for an advertisement-keyword pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 9. Based at least on these additional reasons, it is submitted that claim 9 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 9 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 20, which depends from claim 11, is directed to a method in which the ROAI calculating in f) also includes "considering an experience level in a user associated with submission of the search query and selection of an advertisement in the corresponding search results list." The Office Action relies on paragraphs 41-43 and FIG. 2 of Skinner for disclosure of the limitations of claim 20. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales) at a given period of time (e.g., differing times of day, month, and year). Notably, Skinner does not consider an experience level in a user in conjunction with calculating a bid. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 20. Based at least on these additional reasons, it is submitted that claim 20 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 20 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 25, which depends from claim 24 which in turn depends from claim 23, is directed to a method in which "the set of bid combinations is sorted by a product of the click-through rate and ROAI and insertion orders are placed in the sorted order." The Office Action relies on paragraphs 44-47 of Skinner for disclosure of the

limitations of claim 25. However, the cited portions of Skinner merely disclose sorting data collected from an online marketing media (OMM) database by a primary key and according to time periods in which an event or impression took place. The designated keycode is identified as an example, of the Skinner primary key. After the sorting, Skinner compiles a master data set and identifies well defined data sets. For well defined data sets, the Skinner process calculates a new return on advertising spent (ROAS) value and a new acceptable maximum bid. Notably, Skinner does not sort bids by a product of the click-through rate and ROAI or place insertions based on such sorted bids. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 25. Based at least on these additional reasons, it is submitted that claim 25 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 25 is currently in condition for allowance based at least on the foregoing.

**Claims 31-39 Patentably Distinguish Over Skinner.**

As amended, independent claim 31 is directed to an apparatus that includes “an advertisement selection logic for selecting at least one candidate advertisement associated with the advertiser for subsequent placement in search results lists; a keyword identification system ... for selecting an initial plurality of candidate keywords and for expanding the initial plurality of candidate keywords based ... on the ... candidate advertisement selected by the advertisement selection logic to form an expanded plurality of candidate keywords ...; and a bid determination system ... for calculating an optimized bid for each advertisement-keyword pair ... and for automatically submitting the optimized bids for each advertisement-keyword pair to the competitive bidding process for placement of each candidate advertisement selected by the advertisement selection logic in search results lists generated in response to search queries comprising at least one keyword of the expanded plurality of keywords resulting from expansion of the initial plurality of candidate keywords by the keyword identification system.” The Office Action uses the same reasons for rejection of claim 31 as the § 102(e) rejection of claim 1. Therefore, the disclosures of Skinner identified above and the arguments distinguishing claim 1 also serve to distinguish claim 31. Namely, the

Office Action relies on Skinner for disclosure of the "advertisement selection logic," "keyword identification system," and "bid determination system" elements of claim 31. However, the Office Action does not cite any portion of Skinner or any other reference for disclosure of the "calculating an optimized bid" limitation of the "bid determination system" element of claim 31. The Advisory Action states that the cited portions of Skinner are also relied upon for disclosure of the "calculating an optimized bid" limitation. The § 102 rejection of claim 31 in reliance on Skinner is clear error on any one of at least three grounds because Skinner does not disclose or fairly suggest the features claimed in the "advertisement selection logic," "keyword identification system," and "bid determination system" elements.

As for "advertisement selection logic" element, the Office Action relies on the same portions of Skinner relied upon for disclosure of element a) of claim 1 for disclosure of "selecting at least one candidate advertisement ... for subsequent placement in search results lists." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element a) of claim 1 also serve to distinguish the "advertisement selection logic" element of claim 31. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the "advertisement selection logic" element of claim 31.

As for "keyword identification system" element, the Office Action relies on the same portions of Skinner relied upon for disclosure of element c) of claim 1 for disclosure of "expanding the initial plurality of candidate keywords based ... on the ... candidate advertisement selected by the advertisement selection logic." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element c) of claim 1 also serve to distinguish the "keyword identification system" element of claim 31. Notably, Skinner does not use any advertisement selected for placement in search results lists as criteria for maintaining the database. Moreover, Skinner does not disclose that maintenance of the database includes expanding the search terms in the database. Clearly, the Skinner process does not consider an actual advertisement to be placed in the search results list in order to expand candidate keywords used in the



bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the "keyword identification system" element of claim 31.

As for the "calculating an optimized bid" limitation of the "bid determination system" element, the Applicant again notes that 37 CFR § 104(c)(2) requires an Office Action to cite the best references, designate the particular part relied on as nearly as practicable, clearly explain the pertinence of each reference if it is not apparent, and specify each rejected claim. Here, the Office Action does not cite a reference for disclosure of element g) of claim 1 or the "calculating an optimized bid" limitation of the "bid determination system" element of claim 31 and the Advisory Action merely states that the cited portions of Skinner are relied upon for disclosure of the "calculating an optimized bid" limitation of the "bid determination system" element of claim 31 without any further specificity. Based at least on the foregoing, it is submitted that the rejection of claim 31 is incomplete and a prima facie case for anticipation has not been made because the Office Action is not compliant with 37 CFR § 104(c)(2) in relation to the "calculating an optimized bid" limitation. Accordingly, the Applicant respectfully requests withdrawal of the § 102 rejection of claim 31.

Additionally, for the "calculating an optimized bid" limitation of the "bid determination system" element, as stated in the Advisory Action, the rejection relies on the cited portions of Skinner for disclosure of "calculating an optimized bid for each advertisement-keyword pair." For claims 1 and 31, the cited portions of Skinner amount to paragraphs 14-20 and 37-60; FIG. 2, items 42 and 44; and FIG. 3, item 50. However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as a variable in calculating a bid during the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the "calculating an optimized bid" limitation of the "bid determination system" element of claim 31.

As for the "submitting the optimized bid" limitation of the "bid determination system" element, the Office Action relies on the same portions of Skinner relied upon for disclosure of element h) of claim 1 for disclosure of "submitting the optimized bids for each advertisement-keyword pair to the competitive bidding process for placement of

each candidate advertisement selected by the advertisement selection logic in search results lists generated in response to search queries comprising at least one keyword of the expanded plurality of candidate keywords by the keyword identification system." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element h) of claim 1 also serve to distinguish the "submitting the optimized bid" limitation of the "bid determination system" element of claim 31. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Thus, the bids submitted in Skinner are not for an advertisement-keyword pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the "submitting the optimized bid" limitation of the "bid determination system" element of claim 31.

Based at least on the foregoing, it is submitted that claim 31 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that independent claim 31 and claims dependent thereon (e.g., claims 32-39) are currently in condition for allowance.

Additionally, claim 36, which depends from claim 33, is directed to an apparatus in which "the ROAI agent also considers an experience level in a user associated with submission of the search query and selection of an advertisement in the corresponding search results list." The Office Action uses the same reasons for rejection of claim 36 as the § 102(e) rejection of claim 20. Therefore, the disclosures of Skinner identified above and the arguments distinguishing claim 20 also serve to distinguish claim 36. Notably, Skinner does not consider an experience level in a user in conjunction with calculating a bid. Based at least on these additional reasons, it is submitted that claim 36 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 36 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 39, which depends from claim 38 which in turn depends from claim 37, is directed to an apparatus in which "the bid determination system sorts the optimal set of bid combinations by a product of the click-through rate and ROAI and insertion orders are placed in the sorted order." The Office Action uses the same reasons for rejection of claim 39 as the § 102(e) rejection of claim 25. Therefore, the

disclosures of Skinner identified above and the arguments distinguishing claim 25 also serve to distinguish claim 39. Notably, Skinner does not sort bids by a product of the click-through rate and ROAI or place insertion orders based on such sorted bids. Based at least on these additional reasons, it is submitted that claim 39 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 39 is currently in condition for allowance based at least on the foregoing.

**Claims 40 and 41 Patentably Distinguish Over Skinner.**

As amended, independent claim 40 is directed to a method that includes "a) selecting at least one candidate advertisement associated with the advertiser for subsequent placement in at least one publisher web page; b) selecting a plurality of candidate publisher web pages, wherein each candidate publisher web page is associated with one or more candidate advertisement selected in a) and includes one or more auctioned advertisement positions; c) creating an advertisement-publisher web page pair for each candidate advertisement selected in a) and each candidate publisher web page selected in b); d) estimating a click-through rate for each advertisement-publisher web page pair created in c); e) calculating a return on advertising investment (ROAI) for each advertisement-publisher web page pair created in c) based at least in part on the corresponding click-through rate estimated in d); f) calculating an optimized bid for each advertisement-publisher web page pair created in c) based at least in part on the corresponding ROAI calculated in e); and g) automatically submitting the optimized bids for each advertisement-publisher web page pair calculated in f) to the competitive bidding process for placement of each candidate advertisement selected in a) in at least one publisher web page of the plurality of candidate publisher web pages selected in b)." The Office Action uses the same reasons for rejection of claim 40 as the § 102(e) rejection of claim 1. Therefore, the disclosures of Skinner identified above and the arguments distinguishing claim 1 also serve to distinguish claim 40. Namely, the Office Action relies on Skinner for disclosure of elements a) through e) and g) of claim 40. However, the Office Action does not cite any portion of Skinner or any other reference for disclosure of element f) of claim 40. The Advisory Action states that the cited portions of Skinner are also relied

upon for disclosure of element f). Additionally, the Office Action does not cite any portion of Skinner or any other reference for disclosure of the "publisher web page" or the "advertisement-publisher web page pair" limitations of claim 40. The § 102 rejection of claim 40 in reliance on Skinner is clear error on any one of at least seven grounds because Skinner does not disclose or fairly suggest the features claimed in elements a) through g).

As for the "publisher web page" and "advertisement-publisher web page pair" limitations, the Applicant again notes that 37 CFR § 104(c)(2) requires an Office Action to cite the best references, designate the particular part relied on as nearly as practicable, clearly explain the pertinence of each reference if it is not apparent, and specify each rejected claim. Here, the Office Action does not cite a reference for disclosure the "publisher web page" and "advertisement-publisher web page pair" limitations of claim 40. Based at least on the foregoing, it is submitted that the rejection of claim 40 is incomplete and a prima facie case for anticipation has not been made because the Office Action is not compliant with 37 CFR § 104(c)(2) in relation to the "publisher web page" and "advertisement-publisher web page pair" limitations. Accordingly, the Applicant respectfully requests withdrawal of the § 102 rejection of claim 40.

Additionally, the "publisher web page," "candidate publisher web page," and "advertisement-publisher web page pair" limitations in elements a) through g) of claim 40 are fundamentally different from the "search results list," "candidate keyword," and "advertisement-keyword pair" limitations in elements a) through h) of claim 1. For example, paragraph 82 of the specification defines a "publisher page" as a "unique web page" and explains that a "keyword" is different from a "whole web page." However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results lists may be placed by advertisers. Notably, Skinner does not disclose or fairly suggest how bids for auctioned positions in a "publisher web page" may be placed by advertisers. Moreover, Skinner does not disclose or fairly suggest selecting candidate publisher web pages, calculating bids associated with candidate publisher web pages, or submitting bids associated with the candidate publisher web pages as recited, for example, in elements b), f), and g) of claim 40. Rather, Skinner deals with selecting

keywords, calculating bids associated with keywords, or submitting bids associated with keywords. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the "publisher web page," "candidate publisher web page," and "advertisement-publisher web page pair" limitations in elements a) through g) of claim 40.

Furthermore, as for element a) of claim 40, the Office Action relies on the same portions of Skinner relied upon for disclosure of element a) of claim 1 for disclosure of "selecting at least one candidate advertisement ... for subsequent placement in at least one publisher web page." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element a) of claim 1 also serve to distinguish element a) of claim 40. Notably, the Skinner process does not consider an actual advertisement to be placed in a publisher web page as part of the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element a) of claim 40.

Furthermore, as for element f) of claim 40, the Applicant again notes that 37 CFR § 104(c)(2) requires an Office Action to cite the best references, designate the particular part relied on as nearly as practicable, clearly explain the pertinence of each reference if it is not apparent, and specify each rejected claim. Here, the Office Action does not cite a reference for disclosure of element g) of claim 1 or element f) of claim 40 and the Advisory Action merely states that the cited portions of Skinner are relied upon for disclosure of element f) of claim 40 without any further specificity. Based at least on the foregoing, it is submitted that the rejection of claim 40 is incomplete and a prima facie case for anticipation has not been made because the Office Action is not compliant with 37 CFR § 104(c)(2) in relation to the "calculating an optimized bid" limitation. Accordingly, the Applicant respectfully requests withdrawal of the § 102 rejection of claim 40.

Additionally, for element f) of claim 40, as stated in the Advisory Action, the rejection relies on the cited portions of Skinner for disclosure of "calculating an optimized bid for each advertisement-publisher web page pair." For claims 1 and 40, the cited portions of Skinner amount to paragraphs 14-20 and 37-60; FIG. 2, items 42 and 44; and FIG. 3, item 50. However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. Notably, the Skinner process does not consider an actual advertisement to be placed in

the publisher web page as a variable in calculating a bid during the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element f) of claim 40.

Furthermore, as for element g) of claim 40, the Office Action relies on the same portions of Skinner relied upon for disclosure of element h) of claim 1 for disclosure of "submitting the optimized bids for each advertisement-publisher web page pair calculated in f) to the competitive bidding process for placement of each candidate advertisement selected in a) in at least one publisher web page of the plurality of candidate publisher web pages." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element h) of claim 1 also serve to distinguish element f) of claim 40. Notably, the Skinner process does not consider an actual advertisement to be placed in a publisher web page as part of the bidding process. Thus, the bids submitted in Skinner are not for an advertisement-publisher web page pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element g) of claim 40.

Based at least on the foregoing, it is submitted that claim 40 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that independent claim 40 and claims dependent thereon (e.g., claim 41) are currently in condition for allowance.

#### **Claims 42-52 Patentably Distinguish Over Skinner.**

As amended, independent claim 42 is directed to a method that includes "a) selecting at least one candidate advertisement associated with the advertiser for subsequent placement in search results lists ...; d) calculating an optimized bid for each advertisement-keyword pair ...; and e) automatically submitting the optimized bids for each advertisement-keyword pair calculated in d) to the competitive bidding process for placement of each candidate advertisement selected in a) in search results lists generated in response to search queries comprising at least one keyword of the one or more optimized keywords." The Office Action relies on Skinner for disclosure of elements a) through e) of claim 42. The § 102 rejection of claim 42 in reliance on

Skinner is clear error on any one of at least three grounds because Skinner does not disclose or fairly suggest the features claimed in elements a), d), and e).

As for element a), the Office Action relies on paragraphs 14, 18, and 37-43; FIG. 2, items 42 and 44; and FIG. 3, item 50 of Skinner for disclosure of "selecting at least one candidate advertisement ... for subsequent placement in search results lists." However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results lists may be placed by advertisers. For successful bids, the Skinner process results in placement of the winning advertiser's listing in search results lists. The winning advertiser's listing in Skinner is merely a link to an advertiser's web site. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element a) of claim 42.

As for element d), the Office Action relies on paragraphs 44-60 of Skinner for disclosure of "calculating an optimized bid for each advertisement-keyword pair." However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as a variable in calculating a bid during the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element d) of claim 42.

As for element e), the Office Action relies on paragraphs 14-20 and 37-60 of Skinner for disclosure of "submitting the optimized bids for each advertisement-keyword pair calculated in d) to the competitive bidding process for placement of each candidate advertisement selected in a) in search results lists generated in response to search queries comprising at least one keyword of the one or more optimized keywords." However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. For successful bids, the Skinner process results in placement of the winning advertiser's listing in search results lists. The winning advertiser's listing in Skinner is merely a link to an advertiser's web site. Notably, the Skinner process does not consider the actual advertisement to be placed in the search results list as part of the bidding process. Thus, the bids submitted in

Skinner are not for an advertisement-keyword pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element e) of claim 42.

Based at least on the foregoing, it is submitted that claim 42 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that independent claim 42 and claims dependent thereon (e.g., claims 43-52) are currently in condition for allowance.

Additionally, claim 44 is directed to a method in which "the at least one candidate advertisement selected in a) is based at least in part on information from the advertiser and matching content of each candidate advertisement to one or more candidate keywords, wherein the matching of content is at least partially automated." The Office Action relies on paragraphs 37-39 for disclosure of the limitations of claim 44. However, the cited portions of Skinner merely disclose how a database of search terms relating to an advertiser's service or product is maintained using certain criteria relating to the search term's effectiveness (e.g., impressions, clicks, click-throughs, and sales). Notably, Skinner does not use the content of an advertiser web site as criteria for maintaining the database. Moreover, Skinner does not disclose that advertisements are stored in the database or selected based on information maintained in the database. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 44. Based at least on these additional reasons, it is submitted that claim 44 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 44 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 50 is directed to a method that also includes "collecting information from a bidding service provider associated with the search results list, wherein the bidding service provider information is associated with at least one of current bids for placement of advertisements and previous search queries, and wherein the bidding service provider information is considered in calculating the optimized bids in d)." The Office Action relies on paragraphs 39-43 of Skinner for disclosure of the limitations of claim 50. However, the cited portions of Skinner merely disclose how information is collected from an online marketing media (OMM) database, a tracking engine database, and an advertiser's database during the bidding process to maximize return on advertising spent (ROAS) by changing bids based on the information



collected. Notably, Skinner does not disclose collecting information from a bidding service provider. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 50. Based at least on these additional reasons, it is submitted that claim 50 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 50 is currently in condition for allowance based at least on the foregoing.

Additionally, claim 52 is directed to a method that also includes "collecting information from a competitor web site associated with a competitor in relation to the advertiser, wherein the competitor web site information is considered in calculating the optimized bids in d)." The Office Action relies on paragraph 48 of Skinner for disclosure of the limitations of claim 52. However, the cited portions of Skinner merely disclose how information on competitor bids is collected from an online marketing media (OMM) database. Notably, Skinner does not disclose collecting information from a competitor web site. Moreover, Skinner does not disclose using competitor web site information in calculating optimized bids. Accordingly, the cited portions of Skinner do not disclose or fairly suggest the limitations of claim 52. Based at least on these additional reasons, it is submitted that claim 52 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that claim 52 is currently in condition for allowance based at least on the foregoing.

**Claim 57 Patentably Distinguishes Over Skinner.**

As amended, independent claim 57 is directed to a computer program product that includes a computer usable medium for causing: "i) selection of at least one candidate advertisement associated with the advertiser for subsequent placement in search results lists ...; iii) expansion of the initial plurality of candidate keywords selected in ii) based ... on the ... candidate advertisement selected in i) to form an expanded plurality of candidate keywords ...; v) determination of an optimized bid for each advertisement-keyword pair ...; and vi) automatic submission of the optimized bids for each advertisement-keyword pair determined in v) to the competitive bidding process for placement of each candidate advertisement selected in i) in search results lists generated in response to search queries comprising at least one keyword of the

expanded plurality of candidate keywords resulting from iii)." The Office Action uses the same reasons for rejection of claim 57 as the § 102(e) rejection of claim 1. Therefore, the disclosures of Skinner identified above and the arguments distinguishing claim 1 also serve to distinguish claim 57. Namely, the Office Action relies on Skinner for disclosure of elements i) through iv) and vi) of claim 57. However, the Office Action does not cite any portion of Skinner or any other reference for disclosure of element v) of claim 57. The Advisory Action states that the cited portions of Skinner are also relied upon for disclosure of the element v). The § 102 rejection of claim 57 in reliance on Skinner is clear error on any one of at least four grounds because Skinner does not disclose or fairly suggest the features claimed in elements i), iii), v), and vi).

As for element i) of claim 57, the Office Action relies on the same portions of Skinner relied upon for disclosure of element a) of claim 1 for disclosure of "selection of at least one candidate advertisement ... for subsequent placement in search results lists." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element a) of claim 1 also serve to distinguish element i) of claim 57. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element i) of claim 57.

As for element iii), the Office Action relies on the same portions of Skinner relied upon for disclosure of element c) of claim 1 for disclosure of "expansion of the initial plurality of candidate keywords based ... on the ... candidate advertisement selected in i)." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element c) of claim 1 also serve to distinguish element iii) of claim 57. Notably, Skinner does not use any advertisement selected for placement in search results lists as criteria for maintaining the database. Moreover, Skinner does not disclose that maintenance of the database includes expanding the search terms in the database. Clearly, the Skinner process does not consider an actual advertisement to be placed in the search results list in order to expand candidate keywords used in the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element iii) of claim 57.

As for element v), the Applicant again notes that 37 CFR § 104(c)(2) requires an Office Action to cite the best references, designate the particular part relied on as nearly as practicable, clearly explain the pertinence of each reference if it is not apparent, and specify each rejected claim. Here, the Office Action does not cite a reference for disclosure of element g) of claim 1 or element v) of claim 57 and the Advisory Action merely states that the cited portions of Skinner are relied upon for disclosure of the element v) of claim 57 without any further specificity. Based at least on the foregoing, it is submitted that the rejection of claim 57 is incomplete and a prima facie case for anticipation has not been made because the Office Action is not compliant with 37 CFR § 104(c)(2) in relation to element v). Accordingly, the Applicant respectfully requests withdrawal of the § 102 rejection of claim 57.

Additionally, for element v), as stated in the Advisory Action, the rejection relies on the cited portions of Skinner for disclosure of "determination of an optimized bid for each advertisement-keyword pair." For claims 1 and 57, the cited portions of Skinner amount to paragraphs 14-20 and 37-60; FIG. 2, items 42 and 44; and FIG. 3, item 50. However, the cited portions of Skinner merely disclose how bids for auctioned positions in a search results list may be placed by advertisers. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as a variable in calculating a bid during the bidding process. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element v) of claim 57.

As for element vi), the Office Action relies on the same portions of Skinner relied upon for disclosure of element h) of claim 1 for disclosure of "submission of the optimized bids for each advertisement-keyword pair determined in v) to the competitive bidding process for placement of each candidate advertisement selected in i) in search results lists generated in response to search queries comprising at least one keyword of the expanded plurality of candidate keywords resulting from iii)." Therefore, the disclosures of Skinner identified above and the arguments distinguishing element h) of claim 1 also serve to distinguish element vi) of claim 57. Notably, the Skinner process does not consider an actual advertisement to be placed in the search results list as part of the bidding process. Thus, the bids submitted in Skinner are not for an

advertisement-keyword pair. Accordingly, the cited portions of Skinner do not disclose or fairly suggest element vi) of claim 57.

Based at least on the foregoing, it is submitted that claim 57 is patentably distinguished from Skinner. Accordingly, the Applicant respectfully submits that independent claim 57 and claims dependent thereon (e.g., claims 43-52) are currently in condition for allowance.

### **The § 103 Art Rejections**

Obviousness rejections are based on the statutory language that “a patent may not be obtained ... if the difference between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art.” See 35 U.S.C. § 103(a). The key to supporting any obviousness rejection is the clear articulation of the reason(s) why the claimed invention would have been obvious. See MPEP § 2142. The analysis supporting an obviousness rejection should be made explicit. See *KSR International Co. v. Teleflex, Inc.*, 550 U.S. 398, 418 (2007). Rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusions of obviousness. See *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006).

### **Claims 56 and 59 Patentably Distinguish Over the Combination of Skinner and Paine.**

Claims 56 and 59 depend from independent claim 1. Accordingly, claims 56 and 59 are patentably distinct from the combination of Skinner and Paine for at least the same reasons provided above distinguishing claim 1 from Skinner. Based at least on the foregoing, the Applicant respectfully submits that claims 56 and 59 are currently in condition for allowance.

Additionally, claim 59 is directed to a method that also includes “performing a competition assessment in which a competition assessment agent collects and analyzes information from at least one competitor’s website to select one or more

competitor keywords, wherein at least one of the initial plurality of candidate keywords and the expanded plurality of candidate keywords is based at least in part on the competitor keywords from the competition assessment." The Office Action relies on paragraph 48 of Skinner to disclose the "performing a competition assessment" element of claim 59 and admits that Skinner does not disclose the "select one or more competitor keywords" limitation. Paragraph 4 of Paine is relied on by the Office Action for disclosure of the "select one or more competitor keywords" limitation of claim 59. First, the cited portions of Skinner merely disclose how information on competitor bids is collected from an online marketing media (OMM) database. Notably, Skinner does not disclose collecting information from a competitor web site. The cited portions of Paine disclose "spidering" to collect information from a competitor web site and collaborative filtering to recommend search terms that competitor's may have chosen. Notably, neither Skinner nor Paine disclose or fairly suggest using a competition assessment agent to perform the competition assessment as recited in claim 59. Based at least on these additional reasons, it is submitted that claim 59 is patentably distinguished from the combination of Skinner and Paine. Accordingly, the Applicant respectfully submits that claim 59 is currently in condition for allowance based at least on the foregoing.

**Claim 60 Patentably Distinguishes Over the Combination of Skinner, Paine, and Phelan.**

Claim 60 depends from claim 59 which in turn depends from independent claim 1. Accordingly, claim 60 is patentably distinct from the combination of Skinner, Paine, and Phelan for at least the same reasons provided above distinguishing claim 1 from Skinner and claim 59 from the combination of Skinner and Paine. Based at least on the foregoing, the Applicant respectfully submits that claim 60 is currently in condition for allowance.

Additionally, claim 60 is directed to a method that also includes "calculating a competitor ROAI for each competitor keyword based at least in part on the competition assessment, wherein the optimized bids calculated in g) are based at least in part on competitor ROAIs for competitor keywords related to the one or more candidate keywords for advertisement-keyword pairs for corresponding optimized bids." The

Office Action relies on paragraph 48 of Skinner to disclose the "calculating a competitor ROAI" element of claim 60 and admits that neither Skinner nor Paine disclose the actual "calculating a competitor ROAI" limitation. Paragraphs 101-106 of Phelan are relied on by the Office Action for disclosure of the actual "calculating a competitor ROAI" limitation of claim 60. First, the cited portions of Skinner merely disclose how information on competitor bids is collected from an online marketing media (OMM) database. Notably, Skinner does not use a competitor ROAI as a variable when calculating or optimizing bids. Phelan merely discloses general concepts for analyzing marketing data for effectiveness of advertising, including on-line advertising. Notably, Phelan does not disclose calculating the effectiveness of competitor keyword advertising or a competitor ROAI for a competitor keyword as recited in claim 60. Based at least on these additional reasons, it is submitted that claim 60 is patentably distinguished from the combination of Skinner, Paine, and Phelan. Accordingly, the Applicant respectfully submits that claim 60 is currently in condition for allowance based at least on the foregoing.

**CONCLUSION**

For the reasons detailed above, it is submitted that all claims remaining in the application (Claims 1-21, 23-52, and 55-60) are now in condition for allowance. The foregoing comments do not require unnecessary additional search or examination.

☒ Remaining Claims, as delineated below:

(1) FOR	(2) CLAIMS REMAINING AFTER AMENDMENT LESS HIGHEST NUMBER PREVIOUSLY PAID FOR		(3) NUMBER EXTRA
TOTAL CLAIMS	57	-57 =	0
INDEPENDENT CLAIMS	5	- 6 =	0

☒ This is an authorization under 37 CFR 1.136(a)(3) to treat any concurrent or future reply, requiring a petition for extension of time, as incorporating a petition for the appropriate extension of time. The appropriate fee for a petition for a 1-month extension of time associated with this submission of Amendment is being paid by credit card via the EFS Web concurrent with this submission.

☒ The Commissioner is hereby authorized to charge any filing or prosecution fees which may be required, under 37 CFR 1.16, 1.17, and 1.21 (but not 1.18), or to credit any overpayment, to Deposit Account 24-0037.

In the event the Examiner considers personal contact advantageous to the disposition of this case, he/she is hereby authorized to call Alan C. Brandt, at Telephone Number (216) 363-9000.

Respectfully submitted,

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April 16, 2010  
Date

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